tried to estimate and classify the reserves of the labor force, establish principles concerning convertibility of occupations, and so on. And I was impressed by the fact that this country could find a practical solution of a problem with greater ease than it could agree on theoretical principles for its solution. I remember a conference in which a score of labor economists and statisticians exchanged views on the reserves of potential metalworkers in the country—that is, the number of men familiar with the use of simple metal-processing tools. Some of the experts offered fairly precise estimates running between a million and a half and two million. I volunteered my guess—about twenty million —explaining that, with a little preliminary training, every boy who can repair his car with tools borrowed from the next filling station is a potential metalworker.

As the war went on I became increasingly aware of the unbelievable flexibility of our economy. The United States was turning out arms for its army of more than ten million men, rebuilding its navy on an undreamed-of scale, and providing food and munitions of all kinds to its allies. And it was accomplishing all this without apparent strain. Its war economy was not an economy of a desperate effort and austerity. Apart from the ban on the production and use of passenger cars and of certain electrical appliances and the rationing of sugar, gas, fuel, and a few other products, it imposed few privations on the citizens. I called it a "war economy de luxe." My feeling was that life was grim for the men on the battlefield but soft, perhaps too soft, for those in the rear.

There was no unemployment; jobs went begging. Unfilled orders piled up in almost every factory. Earnings were unusually high, but, all in all, the manner of life remained sober. People were not in the mood for spending and were putting earnings aside, not for a rainy day but for sunny days after the war.

Meanwhile, the government became concerned over the situation it would face during the demobilization and later, when the apparent mirage of prosperity faded away. The Social Security Board asked me to work out projections of probable developments in postwar economics.

I began with an attempt to visualize, month by month, what was likely to happen after the end of the war. Munitions orders will be canceled, millions of workers laid off. . . . But consumer-goods industries will need more workers to cope with the buying rush of consumers and to make up for the shorter hours of work. Some ten million men will be released from the armed forces. . . . But not all of them will look for jobs at once, and millions of women will withdraw from the labor force. Government spending will decline . . . but not at once. And there will be a spree of spending by civilians. Munitions